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DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-908]

Sodium Hexametaphosphate from the People's Republic of China: Preliminary Results of Second Antidumping Duty Administrative Review

AGENCY: Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the "Department") is conducting the second administrative review of the antidumping duty order on sodium hexametaphosphate ("sodium hex") from the People's Republic of China ("PRC") for the period of review ("POR") March 1, 2010, through February 28, 2011. The Department has preliminarily determined that sales have been made below normal value ("NV") by Hubei Xingfa Chemical Group Co., Ltd. ("Hubei Xingfa"). If these preliminary results are adopted in the final results of this review, the Department will instruct U.S. Customs and Border Protection ("CBP") to assess antidumping duties on all appropriate entries of subject merchandise during the POR. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: [Insert date published in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT: Paul Walker, AD/CVD Operations, Office 9, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington DC 20230; telephone 202.482.0413.

SUPPLEMENTARY INFORMATION:

Case Schedule

On April 27, 2011, the Department published the notice of initiation of the administrative

review of sodium hex from the PRC for one company, Hubei Xingfa.¹ On November 18, 2011 the Department extended the deadline for the preliminary results of this review to January 30, 2012.² On January 25, 2012, the Department extended the deadline for the preliminary results of this review to March 15, 2012.³

Submissions by Interested Parties

On April 29, 2011, the Department issued Hubei Xingfa the antidumping duty questionnaire. From June 3, 2011, to January 20, 2012, Hubei Xingfa submitted responses to the Department's antidumping duty questionnaire and supplemental questionnaires.

On June 6, 2011, the Department sent interested parties a letter inviting comments on surrogate country selection and surrogate value ("SV") data.⁴ Between September 15, 2011, and January 20, 2012, Hubei Xingfa and Petitioners⁵ submitted comments on surrogate country selection and information to value factors of production ("FOP").

Scope of the Order

The merchandise subject to this review is sodium hexametaphosphate. Sodium hexametaphosphate is a water-soluble polyphosphate glass that consists of a distribution of polyphosphate chain lengths. It is a collection of sodium polyphosphate polymers built on repeating NaPO_3 units. Sodium hexametaphosphate has a P_2O_5 content from 60 to 71 percent. Alternate names for sodium hexametaphosphate include the following: Calgon; Calgon S; Glassy Sodium Phosphate; Sodium Polyphosphate, Glassy; Metaphosphoric Acid; Sodium Salt;

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 76 FR 23545 (April 27, 2011) ("Initiation").

² See *Second Administrative Review of Sodium Hexametaphosphate from the People's Republic of China: Extension of Preliminary Results*, 76 FR 73599 (November 29, 2011).

³ See *Second Administrative Review of Sodium Hexametaphosphate from the People's Republic of China: Extension of Preliminary Results*, 77 FR 6060 (February 7, 2012).

⁴ See letter to All Interested Parties, "Second Administrative Review of Sodium Hexametaphosphate from the People's Republic of China: Selection of a Surrogate Country," dated June 6, 2011 ("Surrogate Country Letter").

⁵ ICL Performance Products and Innophos, Inc. (collectively, "Petitioners").

Sodium Acid Metaphosphate; Graham's Salt; Sodium Hex; Polyphosphoric Acid, Sodium Salt; Glass H; Hexaphos; Sodaphos; Vitrafos; and BAC-N-FOS. Sodium hexametaphosphate is typically sold as a white powder or granule (crushed) and may also be sold in the form of sheets (glass) or as a liquid solution. It is imported under heading 2835.39.5000, HTSUS. It may also be imported as a blend or mixture under heading 3824.90.3900, HTSUS. The American Chemical Society, Chemical Abstract Service ("CAS") has assigned the name "Polyphosphoric Acid, Sodium Salt" to sodium hexametaphosphate. The CAS registry number is 68915-31-1. However, sodium hexametaphosphate is commonly identified by CAS No. 10124-56-8 in the market. For purposes of the review, the narrative description is dispositive, not the tariff heading, CAS registry number or CAS name.

The product covered by this review includes sodium hexametaphosphate in all grades, whether food grade or technical grade. The product covered by this review includes sodium hexametaphosphate without regard to chain length *i.e.*, whether regular or long chain. The product covered by this review includes sodium hexametaphosphate without regard to physical form, whether glass, sheet, crushed, granule, powder, fines, or other form, and whether or not in solution.

However, the product covered by this review does not include sodium hexametaphosphate when imported in a blend with other materials in which the sodium hexametaphosphate accounts for less than 50 percent by volume of the finished product.

Non-Market Economy Country Status

In every case conducted by the Department involving the PRC, the PRC has been treated as a non-market economy ("NME") country. In accordance with section 771(18)(C)(i) of the Tariff Act of 1930, as amended ("the Act"), any determination that a foreign country is an NME

country shall remain in effect until revoked by the administering authority.⁶ None of the parties to this proceeding has contested such treatment. Accordingly, we calculated NV in accordance with section 773(c) of the Act, which applies to NME countries.

Separate Rates

A designation of a country as an NME remains in effect until it is revoked by the Department.⁷ Accordingly, there is a rebuttable presumption that all companies within the PRC are subject to government control, and thus, should be assessed a single antidumping duty rate.⁸

In the *Initiation*, the Department notified parties of the application process by which exporters and producers may obtain separate rate status in NME proceedings.⁹ It is the Department's policy to assign all exporters of the merchandise subject to review in NME countries a single rate unless an exporter can affirmatively demonstrate an absence of government control, both in law (*de jure*) and in fact (*de facto*), with respect to exports. To establish whether a company is sufficiently independent to be entitled to a separate, company-specific rate, the Department analyzes each exporting entity in an NME country under the test established in *Final Determination of Sales at Less Than Fair Value: Sparklers From the People's Republic of China*, 56 FR 20588 (May 6, 1991), as amplified by *Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide From the People's Republic of China*, 59 FR 22585 (May 2, 1994). In this administrative review, the Department received a

⁶ See *Brake Rotors from the People's Republic of China: Preliminary Results and Partial Rescission of the 2004/2005 Administrative Review and Preliminary Notice of Intent To Rescind the 2004/2005 New Shipper Review*, 71 FR 26736 (May 8, 2006), unchanged in *Brake Rotors from the People's Republic of China: Final Results and Partial Rescission of the 2004/2005 Administrative Review and Notice of Rescission of 2004/2005 New Shipper Review*, 71 FR 66304 (November 14, 2006).

⁷ See section 771(18)(C)(i) of the Act.

⁸ See *Final Determination of Sales at Less Than Fair Value and Final Partial Affirmative Determination of Critical Circumstances: Diamond Sawblades and Parts Thereof from the People's Republic of China*, 71 FR 29303 (May 22, 2006).

⁹ See *Initiation*.

completed response to the Section A portion of the NME antidumping questionnaire from Hubei Xingfa, which contained information pertaining to the company's eligibility for a separate rate.¹⁰

a. Absence of *De Jure* Control

The Department considers the following *de jure* criteria in determining whether an individual company may be granted a separate rate: (1) an absence of restrictive stipulations associated with an individual exporter's business and export licenses; (2) any legislative enactments decentralizing control of companies; and (3) any other formal measures by the government decentralizing control of companies.¹¹ The evidence provided by Hubei Xingfa supports a preliminary finding of *de jure* absence of government control based on the following: (1) an absence of restrictive stipulations associated with Hubei Xingfa's business and export licenses; (2) there are applicable legislative enactments decentralizing control of companies; and (3) there are formal measures by the government decentralizing control of companies.¹²

b. Absence of *De Facto* Control

Typically the Department considers four factors in evaluating whether each respondent is subject to *de facto* government control of its export functions: (1) whether the export prices are set by or are subject to the approval of a government agency; (2) whether the respondent has authority to negotiate and sign contracts and other agreements; (3) whether the respondent has autonomy from the government in making decisions regarding the selection of management; and (4) whether the respondent retains the proceeds of its export sales and makes independent decisions regarding disposition of profits or financing of losses.¹³ The Department has

¹⁰ See Hubei Xingfa's Section A questionnaire response dated June 3, 2011 ("AQR") and Hubei Xingfa's supplemental Section A questionnaire response dated October 24, 2011 ("SAQR").

¹¹ See *Sparklers*, 56 FR at 20589.

¹² See Hubei Xingfa's AQR at 1-5 and Exhibits 4 and 5; see also Hubei Xingfa's SAQR at 4.

¹³ See *Silicon Carbide*, 59 FR at 22587; see also *Notice of Final Determination of Sales at Less Than Fair Value: Furfuryl Alcohol from the People's Republic of China*, 60 FR 22544, 22545 (May 8, 1995).

determined that an analysis of *de facto* control is critical in determining whether respondents are, in fact, subject to a degree of government control which would preclude the Department from assigning separate rates. The evidence provided by Hubei Xingfa supports a preliminary finding of *de facto* absence of government control based on the following: (1) the company sets its own export prices independent of the government, and without the approval of a government authority; (2) the company has authority to negotiate and sign contracts and other agreements; (3) the company has autonomy from the government in making decisions regarding the selection of management; and (4) there is no restriction on the company's use of export revenue.¹⁴ Therefore, the Department preliminarily finds that Hubei Xingfa has established that it qualifies for a separate rate under the criteria established by *Silicon Carbide* and *Sparklers*.

Surrogate Country

When the Department investigates imports from an NME country, section 773(c)(1) of the Act directs it to base NV, in most circumstances, on the NME producer's FOPs, valued in a surrogate market economy country or countries considered to be appropriate by the Department. In accordance with section 773(c)(4) of the Act, in valuing the FOPs, the Department shall utilize, to the extent possible, the prices or costs of FOPs in one or more market economy countries that are at a level of economic development comparable to that of the NME country and significant producers of comparable merchandise. The sources of the surrogate factor values are discussed under the "*Normal Value*" section below and in the surrogate values memorandum.¹⁵

¹⁴ See Hubei Xingfa's AQR at 5-9 and Exhibit 7; see also Hubei Xingfa's SAQR at 5.

¹⁵ See Memorandum to the File, through Scot T. Fullerton, Program Manager, Office 9, from Paul Walker, Case Analyst, Office 9, "Second Administrative Review of Sodium Hexametaphosphate from the People's Republic of China: Surrogate Factor Valuations for the Preliminary Results," dated concurrently with this notice ("Surrogate Values Memo").

As discussed in the “*Non-Market Economy Country Status*” section, above, the Department considers the PRC to be an NME country. The Department determined that Colombia, Indonesia, the Philippines, South Africa, Thailand and Ukraine are countries comparable to the PRC in terms of economic development.¹⁶ Moreover, it is the Department’s practice to select an appropriate surrogate country based on the availability and reliability of data from these countries.¹⁷

Based on publicly available information placed on the record, the Department determines that Thailand is a reliable source for surrogate values because Thailand is at a comparable level of economic development, pursuant to section 773(c)(4) of the Act, is a significant producer of comparable, and has publicly available and reliable data. Furthermore, all surrogate values placed on the record by the parties were obtained from sources in Thailand.¹⁸ Accordingly, the Department has selected Thailand as the surrogate country for purposes of valuing the FOPs because it meets the Department’s criteria for surrogate country selection.

Fair Value Comparisons

To determine whether sales of sodium hex to the United States by Hubei Xingfa were made at less than normal value, the Department compared the export price (“EP”) to NV, as described in the “*U.S. Price*,” and “*Normal Value*” sections below.

U.S. Price

In accordance with section 772(a) of the Act, we calculated the EP for sales to the United States for Hubei Xingfa, because the first sale to an unaffiliated party was made before the date of importation and the use of constructed EP was not otherwise warranted. We calculated EP

¹⁶ See Surrogate Country Letter at Attachment I.

¹⁷ See Policy Bulletin No. 04.1: *Non-Market Economy Surrogate Country Selection Process*, dated March 1, 2004.

¹⁸ See Surrogate Values Memo.

based on the price to unaffiliated purchasers in the United States. In accordance with section 772(c) of the Act, as appropriate, we deducted from the starting price to unaffiliated purchasers foreign inland freight and foreign brokerage and handling. For the services provided by an NME vendor or paid for using an NME currency, we based the deduction of these movement charges on SVs.¹⁹

Normal Value

Section 773(c)(1)(B) of the Act provides that the Department shall determine the NV using an FOP methodology if the merchandise is exported from an NME and the information does not permit the calculation of NV using home-market prices, third-country prices, or constructed value under section 773(a) of the Act. The Department bases NV on FOPs because the presence of government controls on various aspects of NMEs renders price comparisons and the calculation of production costs invalid under the Department's normal methodologies.

In accordance with section 773(c) of the Act, we calculated NV based on FOP data reported by Hubei Xingfa for the POR. To calculate NV, we multiplied the reported per-unit factor-consumption rates by publicly available SVs.

In selecting the surrogate values, we considered the quality, specificity, and contemporaneity of the data. As appropriate, we adjusted input prices by including freight costs to make them delivered prices. We added to each import SV a surrogate freight cost calculated from the shorter of the reported distance from the domestic supplier to the factory or the distance from the nearest seaport to the factory, where appropriate.²⁰ Where we could not obtain publicly available information contemporaneous to the POR with which to value FOPs, we adjusted the SVs, where appropriate, using the Thai Producer Price Index ("PPI"), or Indonesian PPI, as

¹⁹ See Surrogate Values Memo for details regarding the surrogate values for movement expenses.

²⁰ See *Sigma Corp. v. United States*, 117 F.3d 1401, 1407-1408 (Fed. Cir. 1997).

published in the International Monetary Fund's *International Financial Statistics*.²¹ For further detail, *see* the Surrogate Values Memo.

The Department used Thai import statistics from Global Trade Atlas ("GTA")²² to value the raw material and packing material inputs that Hubei Xingfa used to produce subject merchandise during the POR, except where listed below. Consistent with the Department's long-standing practice, the Department has disregarded import prices that we have reason to believe or suspect may be subsidized.²³ In this regard, the Department has previously found that it is appropriate to disregard such prices from India, Indonesia and South Korea because we have determined that these countries maintain broadly available, non-industry specific export subsidies.²⁴ Based on the existence of these subsidy programs that were generally available to all exporters and producers in these countries at the time of the POR, the Department finds that it is reasonable to infer that all exporters from India, Indonesia and South Korea may have benefitted from these subsidies. Additionally, we disregarded prices from NME countries.²⁵ Finally, imports that were labeled as originating from an "unspecified" country were excluded from the average value, because the Department could not be certain that they were not from either an

²¹ *See* Surrogate Values Memo.

²² Published by Global Trade Information Services, Inc. GTA reports import statistics, such as those from Thailand, India and Indonesia, in the original reporting currency and, thus, these data correspond to the original currency value reported by each country.

²³ *See Omnibus Trade and Competitiveness Act of 1988, Conf. Report to Accompany H.R. 3, H.R. Rep. No. 576, 100th Cong., 2nd Sess. (1988) at 590; see, e.g., First Administrative Review of Sodium Hexametaphosphate from the People's Republic of China: Notice of Preliminary Results of the Antidumping Duty Administrative Review, 75 FR 19613 (April 15, 2010) ("First Review Prelim"), unchanged in First Administrative Review of Sodium Hexametaphosphate from the People's Republic of China: Final Results of the Antidumping Duty Administrative Review, 75 FR 64695 (October 20, 2010) ("First Review Final").*

²⁴ *See, e.g., Carbazole Violet Pigment 23 from India: Final Results of the Expedited Five-year (Sunset) Review of the Countervailing Duty Order, 75 FR 13257 (March 19, 2010) and accompanying Issues and Decision Memorandum at 4-5; Certain Cut-to-Length Carbon-Quality Steel Plate from India, Indonesia, and the Republic of Korea: Continuation of Antidumping and Countervailing Duty Orders, 77 FR 264 (January 4, 2012); Corrosion-Resistant Carbon Steel Flat Products from the Republic of Korea: Final Results of Countervailing Duty Administrative Review, 74 FR 2512 (January 15, 2009) and accompanying Issues and Decision Memorandum at 17, 19-20.*

²⁵ *See First Review Prelim, unchanged in First Review Final.*

NME country or a country with generally available export subsidies. Therefore, based on the information currently available, we have not used import prices from India, Indonesia or South Korea when calculating import-based SVs. For further detail, *see* the Surrogate Values Memo.

We did not value phosphate rock or ferro-phosphorous using Thai import statistics. Regarding phosphate rock, Petitioners proposed that the Department value phosphate rock using Thai Harmonized Tariff Schedule (“HTS”) 2510.10.10 (“Natural Calcium Phosphates . . . Apatite”), whereas Hubei Xingfa proposed HTS 2510.10.90 (“Natural Calcium Phosphates . . . Other”) as the correct value. Because record evidence indicates that neither of these values is specific to phosphate rock, we valued phosphate rock using HTS 2510.10.10 (“Natural Calcium Phosphates . . . Unground”), from Indonesia.²⁶ For further discussion of this issue, *see* the Surrogate Values Memo.

Regarding ferro-phosphorous, both parties provided import data from Thailand to value ferro-phosphorous. Hubei Xingfa proposed that the Department rely on Thai HTS 7202.99.00, (“Ferro alloys other”) to value ferro-phosphorous, whereas Petitioners suggested 7202.99.11, (“Ferro Alloys NES”). We find, however, that neither of the proposed Thai HTS categories is sufficiently specific to the input in question, as both are basket categories containing many types of ferro-alloys. Therefore we have valued ferro-phosphorous using HTS 7202.99.11, described as “Ferro-phosphorous,” from India.²⁷ For further discussion of this issue, *see* the Surrogate

²⁶ See, e.g., *Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Preliminary Results, Partial Rescission, and Request for Revocation, In Part, of the Fifth Administrative Review*, 76 FR 12054 (March 4, 2011), (where the Department valued shrimp by-products with a surrogate value from Indonesia, when a value was not available in the primary surrogate country), unchanged in *Certain Frozen Warmwater Shrimp from the Socialist Republic of Vietnam: Final Results and Final Partial Rescission of Antidumping Duty Administrative Review*, 75 FR 56158 (September 12, 2011).

²⁷ See, e.g., *Notice of Final Antidumping Duty Determination of Sales at Less Than Fair Value and Affirmative Critical Circumstances: Certain Frozen Fish Fillets from the Socialist Republic of Vietnam*, 68 FR 37116 (June 23, 2003) and accompanying Issues and Decision Memorandum at Comment 14e (where the Department valued a by-product using a U.S. price due the specificity of the value).

Values Memo.

On June 21, 2011, the Department announced its new methodology to value the cost of labor in NME countries.²⁸ In *Labor Methodologies*, the Department determined that the best methodology to value the labor input is to use industry-specific labor rates from the primary surrogate country. Additionally, the Department determined that the best data source for industry-specific labor rates is Chapter 6A: Labor Cost in Manufacturing, from the International Labor Organization's *Yearbook of Labor Statistics*.

For this review the Department found that Thailand last reported industry-specific data in Chapter 6A, under Sub-Classification 24 of the ISIC-Revision 3, in 2000. However, more recently Thailand reported total manufacturing wage data under Chapter 6A in 2005. To calculate the labor value in these preliminary results, the Department relied on total manufacturing wage data from Chapter 6A, reported by Thailand in 2005, because these data are more contemporaneous with the POR than the data reported in 2000. We further inflated the labor value using the consumer price index ("CPI") for Thailand to be contemporaneous with the POR. For the preliminary results the calculated wage rate is 135.27 Baht/hour. A more detailed description of the wage rate calculation methodology is provided in the Surrogate Values Memo.

Pursuant to *Labor Methodologies*, the Department considered whether financial ratios required adjustment to account for any labor expenses that might also be included in the financial ratios. However, because the record evidence did not indicate that any labor expenses were included in the financial ratios, no adjustments were necessary. *See* Surrogate Values Memo.

²⁸ See *Antidumping Methodologies in Proceedings Involving Non-Market Economies: Valuing the Factor of Production: Labor*, 76 FR 36092 (June 21, 2011) ("*Labor Methodologies*"). This notice followed the decision in *Dorbest Ltd. v. United States*, 604 F.3d 1363, 1372 (CAFC 2010), where the Federal Circuit found that the Department's regression-based method for calculating wage rates, as stipulated by section 351.408(c)(3) of the Department's regulations, uses data not permitted by the statutory requirements set forth in section 773(c)(4) of the Act (*i.e.*, 19 USC 1677b(c)).

To value truck freight expenses, we used the World Bank's *Doing Business 2012: Thailand*, which we find to be specific to the cost of shipping goods in Thailand, and representative of a broad market average.²⁹ Because this value was not contemporaneous to the POR, we deflated it using the Thai CPI. This report gathers information concerning the cost to transport a 20-foot container of dry goods from the largest city to the nearest seaport. Because there is no Thai value for inland freight charges by boat on the record, we valued inland freight charges by boat using Indonesian freight rates that were published by the Indonesian freight forwarder, PT. Mantap Abiah Abadi.³⁰ Rates were given on a per cubic meter basis, by city, which we converted to a metric ton basis. Because this value is not contemporaneous with the POR, we deflated it using the Indonesian CPI. In addition, we valued brokerage and handling using a price list of export procedures necessary to export a standardized cargo of goods in Thailand published in the World Bank's *Doing Business 2012: Thailand*. The price list is compiled based on a survey case study of the procedural requirements for trading a standard shipment of goods by ocean transport in Thailand. Because this value was not contemporaneous to the POR, we deflated it using the Thai CPI. For further discussion of movement expenses, see the Surrogate Values Memo.

To value the surrogate financial ratios for overhead, selling, general and administrative expenses and profit, the Department used the 2009-2010 financial statement of Aditya Birla (Thailand) ("Aditya"). Aditya is a producer of sodium hex in Thailand. Its financial ratio expenses are comparable to Hubei Xingfa's financial ratios by virtue of each company's production of identical merchandise. However, the Department has determined that the financial statement of Aditya does not permit us to accurately calculate overhead, because it does not

²⁹ See Surrogate Value Memo, at 7-8, and Exhibit 6, relying on information found at <http://www.doingbusiness.org>.

³⁰ *Id.*, at 8, and Exhibit 6.

contain information upon which to apply a reasonable methodology to apportion raw material expenses and consumable expenses. As a result, the Department has used the financial statement from Aditya's parent company, Aditya Birla Group, to calculate the overhead ratio.³¹

When the Department is unable to segregate and, therefore, exclude energy costs from the calculation of the surrogate financial ratio, it is the Department's practice to disregard the respondent's energy inputs in the calculation of NV in order to avoid double-counting energy costs which have necessarily been captured in the surrogate financial ratios.³² Because Aditya financial statement does not identify energy expenses, we disregarded Hubei Xingfa's energy inputs in the NV calculation.

Where appropriate, we made currency conversions into U.S. dollars, in accordance with section 773A(a) of the Act, based on the exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank.

Preliminary Results of the Review

The Department has determined that the following preliminary dumping margin exists for the period March 1, 2010, through February 28, 2011:

Exporter	Margin
Hubei Xingfa	52.39%

The Department will disclose calculations performed for these preliminary results to the

³¹ See *Electrolytic Manganese Dioxide from the People's Republic of China: Final Determination of Sales at Less Than Fair Value*, 73 FR 48195 (August 18, 2008) and accompanying Issues and Decision Memorandum at Comment 3 (where the Department was unable to calculate a financial ratio based on a lower level financial statement, the Department used a consolidated financial statement).

³² See *Citric Acid and Certain Citrate Salts from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value*, 74 FR 16838, 16839 (April 13, 2009) and accompanying Issues and Decision Memorandum at Comment 2.

parties within five days of the date of publication of this notice, in accordance with section 351.224(b) of the Department's regulations.

In accordance with section 351.301(c)(3)(ii) of the Department's regulations, for the final results of this administrative review, interested parties may submit publicly available information to value FOPs within 20 days after the date of publication of these preliminary results. Interested parties must provide the Department with supporting documentation for the publicly available information to value each FOP. Pursuant to section 351.301(c)(1) of the Department's regulations, submissions of factual information may be rebutted, however the Department reminds that section 351.301(c)(1) of the Department's regulations permits new information only insofar as it rebuts, clarifies, or corrects information recently placed on the record. The Department will not accept the submission of additional, alternative surrogate value information submitted with rebuttal submissions, where that information has not previously been part of the review record, pursuant to section 351.301(c)(1) of the Department's regulations.³³ Additionally, for each piece of factual information submitted with surrogate value rebuttal comments, the interested party must include an explanation to indicate the record information the new information is rebutting, clarifying, or correcting.

Interested parties may submit case briefs and/or written comments no later than 30 days after the date of publication of these preliminary results of review.³⁴ Rebuttal briefs and rebuttals to written comments are limited to issues raised in such briefs or comments, and may be filed no later than five days after the deadline for filing case briefs.³⁵ Parties who submit case briefs or

³³ See *Glycine from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and Final Rescission, in Part*, 72 FR 58809 (October 17, 2007) and accompanying Issues and Decision Memorandum at Comment 2.

³⁴ See section 351.309(c)(ii) of the Department's regulations.

³⁵ See section 351.309(d) of the Department's regulations.

rebuttal briefs in this proceeding are requested to submit with each argument: 1) a statement of the issue; 2) a brief summary of the argument; and 3) a table of authorities.³⁶

The Department will issue the final results of this administrative review, which will include the results of its analysis of issues raised in any such comments, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by these reviews. The Department intends to issue assessment instructions to CBP 15 days after the publication date of the final results of this review. In accordance with section 351.212(b)(1) of the Department's regulations, for Hubei Xingfa, we calculated an exporter/importer (or customer)-specific assessment rate for the merchandise subject to this review. Because Hubei Xingfa reported reliable entered values, we calculated importer (or customer)-specific *ad valorem* rates by aggregating the dumping margins calculated for all U.S. sales to each importer (or customer) and dividing this amount by the total entered value of the sales to each importer (or customer).³⁷ Where an importer (or customer)-specific *ad valorem* rate is greater than *de minimis*, we will apply the assessment rate to the entered value of the importer's/customer's entries during the POR.³⁸

To determine whether the duty assessment rates are *de minimis*, in accordance with the requirement set forth in section 351.106(c)(2) of the Department's regulations, we calculated importer (or customer)-specific *ad valorem* ratios based on the estimated entered value. Where an importer (or customer)-specific *ad valorem* rate is zero or *de minimis*, we will instruct CBP to

³⁶ See section 351.309(c) and (d) of the Department's regulations.

³⁷ See section 351.212(b)(1) of the Department's regulations.

³⁸ *Id.*

liquidate appropriate entries without regard to antidumping duties.³⁹

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results, as provided by section 751(a)(2)(C) of the Act: (1) for Hubei Xingfa, the cash deposit rate will be that established in the final results of review (except, if the rate is zero or *de minimis*, no cash deposit will be required); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recent period; (3) for all PRC exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the PRC-wide rate of 188.05 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporters that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification of Interested Parties

This notice also serves as a preliminary reminder to importers of their responsibility, under section 351.402(f) of the Department's regulations, to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this POR. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

³⁹ See section 351.106(c)(2) of the Department's regulations.

This administrative review and this notice are published in accordance with sections 751(a)(1) and 777(i) of the Act, and section 351.221(b)(4) of the Department's regulations.

Paul Piquado
Assistant Secretary
for Import Administration

March 13, 2012__
Date

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